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ABSTRACT

This collection of four fact sheets focuses on fund-raising for charitable nonprofit organizations. The fact sheets explain the distinction between nonprofit organizations and charitable organizations, the types of fund-raising, the goals of fund-raising, marketing techniques, the process of strategic planning, and the role of strategic planning in fund-raising. One fact sheet lists 17 specific creative fund-raising techniques, with brief descriptions and with an indication of the staff, cost, and planning time needed for each. (JDD)

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[Fundraising for Nonprofit Organizations.]
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Some General Principles of Charitable Nonprofit Fundraising

Basic Assumptions

Charitable Nonprofit Organizations

All charities are nonprofits, but not all nonprofits are charities. The Internal Revenue Code defines more than twenty categories of nonprofit organizations under Section 501(c). Examples include labor organizations [501(c)(5)], fraternal societies [501(c)(10)], cemeteries [501(c)(13)], pension trusts [501(c)(18)], veteran's organizations [501(c)(23)], and charities [501(c)(3)].

Colloquially, the terms "nonprofit" and "charity" are often used interchangeably. Technically, a 501(c)(3) organization is a charitable nonprofit organization as opposed to a labor nonprofit, a fraternal nonprofit, a business league nonprofit, etc. etc. To avoid confusion, many charitable nonprofits say, "We are a 501(c)(3)."

Those nonprofit groups that want to raise tax deductible contributions seek classification by the IRS as charities under Section 501(c)(3) of the Internal Revenue Code. They also register with their respective state governments, and most do not pay sales, real estate, income or capital gains taxes on their investments. Because the tax deduction for a charitable contribution is so attractive to potential donors, nonprofit groups that are classified by the IRS as *other than* 501(c)(3), often establish ancillary 501(c)(3) charitable nonprofit organizations as a base from which to raise funds. EXAMPLE: The American Pharmaceutical Association established The American Pharmaceutical Association Foundation.

The vast majority of charitable nonprofits form a corporation in order to limit their board members' liability in case of litigation. In reality, 501(c)(3) organizations are special *business* corporations that operate for the benefit of the general public; they have special tax dispensations under the assumption that their *work can not be accomplished at a profit by a commercial business corporation.*

There are direct parallels between charitable nonprofits and commercial businesses: each has incorporation papers, a board of directors, a vision of what is to be accomplished, products or programs/services, budgets, staff, a physical plant, a public image, and a need to plan long range for programs, personnel, and funding. They are more similar than dissimilar, and their operations are about 80% parallel. (That is not surprising when one realizes that Benjamin Franklin borrowed the business corporation model and modified it for charitable nonprofit use when he established the first charity after the Revolutionary War.)

When a business corporation wants to raise money by obtaining a bank loan or selling more stock, it produces a business plan to prove its management ability to potential investors. *Charitable nonprofits generally call their business plan a long range strategic plan*; it demonstrates to key donors that the organization can manage well and convinces them that a gift to that particular organization is an "investment" in the betterment of society.

Boards of Directors

A charitable nonprofit's directors are volunteers who govern the organization in the name of the general public. The board approves the work (programs) and the budget of the group, and it is responsible for seeing that the funding is there to achieve that work. *Therefore, a key component in successful fundraising is the selection of board members who are willing and able to raise money.* During long range planning, a strategy is drawn up to recruit people for the board who have direct connections to funders identified as likely to give support. While some charitable nonprofits hire staff to assist in raising money, the principle underlying charitable fundraising is that it is done by volunteers who first have made their own donations to the group and now are requesting similar contributions from others. A skilled development (fundraising) staff can greatly facilitate board fundraising.

Non-Board Volunteers

Volunteers appear in a variety of places in charitable nonprofit fundraising. Organizing volunteers requires a decision by the board to commit a board or staff member and a budget line to recruiting and training volunteers for fundraising. Well trained volunteers equipped with high quality material about your work can make effective solicitation calls or produce a variety of events. ***The key to keeping volunteers involved is offering a permanent liaison to the volunteer corps who is knowledgeable about fundraising goals and about the organization and who is available to volunteers when needed.*** Volunteer fundraisers respond best when they have job descriptions, specific goals and timetables, and know how the money they raise will be spent.

Competition for Funding

Many charitable nonprofits collaborate in program work, public education activities, and legislative liaison. Some even coalesce in united fundraising drives. However, the *majority* of philanthropic organizations raise money for themselves alone. ***Competition between charitable nonprofits for financial resources is an integral part of the philanthropic field and will not disappear in the foreseeable future.*** Only a group which has an endowment large enough to fully generate its annual budget can be classified as a non-competitor for funds.

The Energy Behind Fundraising

Long Range Market Plan

Unless an organization has a "golden goose" to whom it can turn for short range donations or an asset against which it can borrow, there are no "quick fixes" in the charitable nonprofit world. Traditional funders (foundations, corporations, etc.) usually avoid an organization in crisis because, to them, the need for fast cash means that the group has not planned well for its needs and has not developed alternate sources of funding over time to backstop emergencies. Cold as this may seem, it is a reality of the contributions marketplace.

Successful fundraising is based on the fundamental marketing principle that a contribution is part of a satisfying mutual exchange which takes place between the donor and the organization. The charitable nonprofit facilitates that exchange by carefully *analyzing* the contributions marketplace and *planning* to build bridges directly to the funding that seems ideal for their programs. Most of those bridges are board members, senior staff, advisors, and special friends of the organization. Their efforts are augmented by clear, logical material that describes the needs of the group's constituents, the organization's work, its cost, and its projected results. When the exchange happens, the philanthropy receives the funds, and the donor receives the satisfaction of knowing that he/she has helped to provide a service or program for the group's primary constituents.

The strategic organizational market plan comprehensively re-defines the organization for a specific term...usually three to five years...and it acts as an operational blueprint. It analyzes the needs of constituents, offers programs to suit those needs, projects costs and reliable income, provides a specific fundraising plan for each program, and provides sub-plans to recruit human resources, communicate effectively to the world about the group, implement itself over time, and continue to evaluate constituents' needs and responses to the organization's current work.

Types of Fundraising

Annual Campaign

This is the bedrock of all fundraising. It is a time period with a specific beginning and end during which unrestricted funds for general operations are solicited. The primary targets are usually individuals, moving outward in concentric circles from the board and staff, to special friends of the organization, to volunteers, to civic and fraternal groups, and to those limited numbers of corporations and foundations that give unrestricted funds. By repeating the campaign at the same time each year, it becomes more cost effective to manage and helps donors develop the habit of planning an annual gift for the organization. Solicitation techniques include person-to-person, formal proposals, direct mail, and special events.

Cause-related marketing (see below) can be a part of the annual campaign. TIP: ***The list of donors to the annual campaign is worth its weight in gold.*** It becomes the basis of an eventual endowment campaign as well as special events fundraising and program-restricted fundraising. In addition to address and telephone, try to build detailed records on each donor, i.e. make note of a "privileged" type of checking account (e.g., cash management account); see if that person lives in the high income part of town; does that donor appear in the society or business pages of the paper? This process is called *qualifying* the donor, and it never ends. Many an organization has uncovered a potential major donor through annual campaign research.

Corporate and Foundation Gifts

Most corporations and foundations give funding restricted to specific programs of the applicant. Research is the key to success in the continuous task of matching

your programs to the guidelines of business and foundation contribution programs. Development staff and/or volunteers use a variety of corporate and foundation research directories to find likely targets. After sending for the specific guidelines of each target, the researcher decides whether to contact the potential funder directly to determine eligibility to submit a formal request for funding. Some corporations and foundations have deadlines for proposals and regular dates on which they review and decide upon awards; others have no deadlines and meet whenever they can. *This is not a fast process.* Corporate and foundation solicitations should be set up on a schedule that is planned months or years in advance to allow sufficient time for cultivation of the prospect, preparation of the request and support material, and interaction with the funder's staff. The best technique to achieve relatively pressure-free corporate/foundation solicitations is to set up charts in your strategic plan which list targets by due date. *This brings the added benefit of being able to project multi-year grants from some funders.* Few charitable nonprofits achieve the ideal corporate/foundation solicitation process as soon as they begin fundraising. However, they strive to create a master list of projected solicitations within about two years. TIP: ***Listen carefully to the feedback from corporate or foundation grants officers and build your proposal according to their suggestions.***

Cause-Related Marketing

During the last decade, many businesses have partnered with charitable nonprofits to provide increased revenue for each as a result of attaching a small contributions component to the companies' product prices. The donations go to the organization in proportion to product sales; the business has the right to advertise its relationship with the philanthropy in order to enhance its image and its sales. The positive side for the charitable nonprofit is that it has an income stream of unrestricted funds outside the traditional corporate contributions mode, and that it gets great free publicity. The negative side is that this income varies as product sales vary; it can disappear at any time. TIP: ***Route the cause-related income into an endowment or a revolving loan fund; do not become dependent on it.***

Special Events

If a special event is truly a fundraising event, then all of its costs, including staff time, must be charged against income. A new special event is successful if it breaks even for two or three years. *Long term fundraising income is achieved when the donor community begins planning on community calendars* for annual participation in the event. There are stunning examples of annual balls, golf tournaments, telethons, walkathons, casino nights, etc. which, over time, have become institutionalized. TIPS: ***Be sure you have underwriting for the event before you undertake it; recruit double the number of volunteers you thought you would need to produce the event; be prepared to keep repeating the event for several years until the net surplus becomes predictable and meaningful to your budget.***

Unrelated Business Income

When a major university in New York City acquired a spaghetti factory as a gift and then decided to manage it as an ongoing financial investment, when a hospital built a building and rented it as office space, when an art museum built a tower of luxury apartments on top of itself and rented space, and when a college set up a holding company and bought two local restaurants, charitable nonprofits jumped directly into commercial business. A long chain of future events will unfold before philanthropic organizations will know the IRS' final position on this matter. For the present, income earned by charitable nonprofits holding interests in businesses unrelated to their mission is fully taxable. Many organizations, individually or in consortium, raise taxable money for their work by generating *unrelated business income.* They pay the taxes and happily route the proceeds into their operations or endowment. Organizations whose boards include business minds that can manage such enterprises are exploring this new world. TIP: ***Explore cautiously.***

The Goals of Fundraising

Achieve the Charitable Mission

Most people correctly assume that the ultimate goal of raising money for a philanthropic organization is that of offering its programs or services to those who need them. This assumption allows for the cyclical continuation of annual fundraising ad infinitum, a process whose costs can only escalate over time.

Maximize Self-Sustainment

There has evolved a broader view of fundraising, which incorporates a second component of the goal, namely that of maximizing each organization's ability to generate self-sustaining income. This allows for a reduction in the costs of cyclical fundraising due to the influx of interest income from an endowment. While few organizations ever reach the utopian state of total support from self-controlled resources, many successfully strive toward generating sufficient income to at least cover annual administrative and fundraising costs from endowment. This isolates the remaining fundraising to program needs, which are much easier to address than general operating money.

Getting There

From annual campaign to endowment, the key strategy is **careful planning**.

- Determine the environment in which your organization must operate.
- Determine constituents' needs and select strategies to provide responsive services.
- Recruit the appropriate human resources.
- Carefully estimate costs and reliable income.
- Target your funders with accurate research.
- Prepare compelling presentations.
- Ask for the donation.
- Make the financial exchange.

Resources

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Marketing for Charitable Nonprofit Organizations

During the last decade, competition between charitable nonprofits for diminishing financial resources has inspired them to embrace new skills that will improve their fundraising ability while also serving their constituents better.

Although fundraising results are tied to the capacity to communicate to donors and persuade them to give, they are also tied strongly to functions that occur much earlier than the actual request for funds. In particular, they are tied to the level of satisfaction with the organization's services that is expressed by its primary constituents, i.e. those served by the organization's mission. A philanthropy positions itself best to compete for *all* kinds of support, including funds, by doing the following:

- carefully defining who its constituents are;
- measuring the needs of its constituents;
- designing programs to suit those needs;
- measuring the constituents' satisfaction with those programs;
- using those results to fine tune its services regularly; and,
- communicating the above to potential donors (and others) clearly and simply.

This process is easily recognizable in the commercial business setting; it is called marketing. Transferral of marketing principles to the nonprofit community happened about 1975 when business marketing genius Philip Kotler wrote *Marketing for Nonprofits*.

Definition

Kotler defines marketing as the *analysis, planning, implementation,* and *control* of a charitable nonprofit's programs, which have been carefully designed to bring about voluntary *exchanges of values* with target markets for the purpose of achieving organizational objectives.

Application to Operations

Let's examine that definition in segments.

Management

Analysis, planning, implementation, and *control* are managerial functions performed by the board and staff (usually through a strategic planning process) for a term of years. [Note: See Factsheet 8 for more information on strategic planning.] The group first measures the needs of its primary constituents (clients, users, etc.) and then designs (or redesigns, or reaffirms) services to suit those needs. Asking focus groups of constituents regularly to review programs and react to them is the charitable nonprofit world's version of market testing. It is a variation of what happens when you walk through a shopping mall and someone asks to you drink a sample of orange juice and react to the taste, color, consistency, and smell of the product. ***The ability of a charitable nonprofit organization continually to adjust its services to suit client need is key to ensuring the organization's survival and its financial support.*** **Tip:** ***The existence of a Market Evaluation Committee within the board is a sure sign that the organization is seeking a maximum fit between programs and constituent need. Potential funders look for that sign.***

Exchange

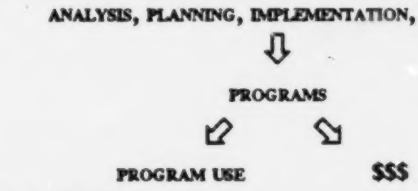
The organization and the constituent each seek something from each other. The constituent needs specific services. The charitable nonprofit has two needs: (1) maximum use of its service so as to justify its existence; (2) financial resources. Each voluntarily seeks a response from the other, and when those responses happen, it is called an exchange of values, or a *market exchange.*

So there are really *two* kinds of market exchanges that result from the aforementioned management processes: (1) enhanced appreciation and use of programs and (2) financial support.

To focus on the second exchange, financial support, let us acknowledge that there are really two *sources* of financial support: (a) donations from those who actually *use* the programs, and (b) *contributions* from others who approve of the programs and who want to facilitate that exchange with their own money on behalf of the constituents.

The first (a) is easy to understand. A hospital patient who is happy with the services he got during his stay is likely to respond to the annual fundraising appeal from the hospital with a generous donation. He has also paid his hospital bill, thereby providing the hospital with another kind of exchange — fees. So the patient has *used* the program and *paid* fees and a donation to the organization. He has made two market exchanges with the hospital.

The second source (b), the non-constituent who wants to help, is more complex in motivation. Here is where many organizations make a serious mistake. They fail to recognize *who* the potential donor represents. That donor really is paying the bill on behalf of the indigent hospital patient. Yet, when the hospital approaches a foundation, corporation, or individual donor for contributions, it usually couches its request in terms of money for the hospital, not the indigent patient. In some respect then, funders are surrogates for primary constituents, and they usually indicate which populations they represent in their guidelines. When a donor gives money to an organization for the benefit of a third party, the donor and the organization have entered a partnership which results in a market exchange.



Target Markets

Some charitable nonprofits stop at defining their primary constituency, i.e., that target market for which their programs are designed. For example, a crisis nursery would define young children as their primary constituency. As organizations begin to see the connections between their needs (community support, technical skills, money, etc.) and the groups which could supply those needs, the organizations begin to define and prioritize a secondary constituency. That list can include board, staff, advisory committees, special friends of the organization, former board members, policymakers, government agencies, regulatory agencies, professional associations, mass media, competitors, suppliers, and the whole gamut of financial contributors. It catalogs any population of people that can influence or be influenced by the charitable nonprofit. The list of target markets is often subdivided between those for program development and potential funders. It is not unusual for the same targets to appear on both lists. Theoretically, when the two lists become identical, the organization has maximized its potential for fundraising and program development.

Each market is cultivated by the organization for a specific purpose. Those assignments start within the board and involve staff support. The orchestration of those exchanges is done by a marketer (board or staff or both as a team), who *designs and manages the exchanges.*

The board member who chairs the Marketing Committee usually earns a living in marketing; the staff member who partners with that board member is the Director of Development. TIP: ***We begin to see that "development" means more than fundraising; it includes market planning and finance as well.***

A Broader Use of Marketing by Charitable Nonprofits

The charitable nonprofit which tests the acceptance of its programs by its constituencies often derives a second benefit from that test...an assessment of its image with a wide variety of target markets. An attempt to determine the strengths and weaknesses of the organization in the mind of the constituent(s) may uncover a false impression, or an unmet need. The organization then can take steps to send targeted communications back into the community to correct the organization's image or to design a new service component. Many a group has been grateful to learn of such problems before they reach the media, or before beginning a fundraising campaign that might otherwise fail.

What Marketing is NOT

Marketing is *not* public relations or publicity. Those are communications techniques to establish and circulate an image. Marketing is *not* sales. The sale is the exchange between the organization and the constituent or the organization and the donor. Marketing is *not* forcing a constituency to accept a pre-designed program.

Instead, marketing is the assessment of constituent need and the management of the response process to achieve best utilization of programs and optimal financial support. Board and staff work as a team to achieve this goal. The primary manifestation of that teamwork is the strategic organizational market plan. [See Factsheet 8.] Reference: *Marketing for Nonprofit Organizations*, Philip Kotler, 1982, Prentice Hall.

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How Fundraising Flows From Strategic Planning

The Role of Strategic Planning in Fundraising

"We need to raise money for these three programs and for general operations! How do we do it?" That question is the typical beginning of an odyssey that usually must go backward before it can go forward.

Fundraising does *not* begin with recognizing a need for money. It starts much earlier with the actual structuring of a charitable nonprofit organization:

- by assessing the environment in which your group must work;
- by determining your constituents;
- by assessing your constituents' needs and responding to them through appropriately designed services; and
- by estimating the cost of those services over a term of years as well as any reliable income for those services.

It is at this point (about *one-third* of the way through the planning process) that fundraising goals and strategies are determined.

Several more key steps need to occur before high yield fundraising can begin. They include:

- designing communications to the world about your organization;
- re-examining the recruitment of board, staff, and volunteers;
- assigning the implementation of the organization's plan to specific people; and
- creating a continuous market-testing system to monitor the strategic fit between the programs and the constituents' needs.

The key to raising money is *control*, which is, in turn, the summation of all management techniques within a particular organization. Control stems from comprehensive long range planning, which integrates every aspect of the charitable organization into a master blueprint whose objectives are all synchronized: *a strategic organizational marketing plan.*

The Role of Marketing in Fundraising

Definition

Marketing guru Philip Kotler says that marketing is the analysis, planning, implementation, and control of the organization's service programs to suit the needs of its constituents well enough that two types of *exchanges* take place: (1) the maximum *use* of the services and (2) financial support to the organization.

If you give a party and no-one comes, you have made an offering that no one wants. Therefore, the magnitude of the first exchange, the use of programs, is determined by the organization's commitment and ability to gauge constituent needs and respond to them. Organizations which document their constituents' enthusiastic endorsement to questions about service program effectiveness are likely to raise more money than those whose do not test the market. Those market tests, when organized as the results of a survey, make an important accompaniment to a grant application; they are proof that your group is analyzing constituent need and responding to it. When negative market tests arise, the organization knows that it must go back to the drawing board before attempting high yield fundraising.

The second exchange, donations to the organization, also is determined by constituent satisfaction; happy customers are willing to pay the price. There are two kinds of potential donors: (a) those who both *use* the service programs and *donate* money, and (b) those who do *not use* the programs but *donate* their own money on behalf of others who need the services. Often the approach to each is different.

Defining your constituency to include a broad base of those directly served and those who care about and can influence your work is an important exercise in creating the target markets that, eventually, will be approached for contributions. Foundation, corporate, individual, and government donors are considered constituents along with those receiving primary services. Note: See Factsheet 7 for additional information about marketing for charitable nonprofit organizations.

How Strategic Planning, Marketing, and Fundraising Fit Together

Strategic planning, marketing, and fundraising are processes with specific steps. All three used to be performed independently of the other. Today, their integration into a single process is exemplified by the following principles: (a) *all fundraising flows from strategic planning;* (b) *all strategic planning should be done with a marketing orientation.*

Strategic planning provides the framework within which market testing and program designing can work and which generates fundraising goals and plans.

The Process of Strategic Planning

A planning committee should be formed to develop the strategic plan. The planning committee consists of key board members, the organization's executive director, and other key staff members.

Planning strategically involves re-conceptualizing the organization from the ground up, i.e., zero-base conceptualization. It presumes that at the beginning of each planning cycle (three years, five years), the planning committee will *not* assume that the future should be a simple upgrade of past services (step-planning). Instead, the committee will walk through the following steps:

1. Analysis of the marketplace.

- Define your constituencies, primary and secondary.
- Examine the threats and opportunities in the external and internal environment which can affect the organization's future and make note of how to use that information to plan its future.
- Select strategies to achieve your goals for the term of the plan.

2. Create the case statement.

- Write a case statement which summarizes conversationally the needs your group will address and the strategies and service programs it has elected to serve those needs. Add information about your organization's past achievements and its competence to deal with the issues in your plan, a little about your board, and an indication of budget size.
- Test the strengths and weaknesses of the case statement's content with focus groups from your constituencies. (If necessary, go back to the drawing board and then retest.) A positive reaction from the board means that you may continue with the next few steps.

3. Create detailed program descriptions for each year.

- Describe each problem to be addressed.
- Describe the actions to be taken (services you will provide) to address each problem.
- Include people who will perform the actions/services in the description.
- Describe anticipated results for each year.

4. Devise functional budgets for each year.

- Use a spread sheet showing columns for administration, fundraising, and each program across the top. Down the side are income line items, as in chart A *(Below).*

Income	Admin.	Fund Raising	Program A	Program B	Program C	Etc.	TOTAL
CONTRIB							
Individual							
Corp (Regular)							
Corp (Cause Related)							
Foundatn							
Other Non-Profit							
Govt							
EARNED							
Interest							
Sales							
TOTAL							

A. Summary Income Budget: 19??

- Use a spread sheet showing the same column headings as in Chart A ("administration," etc.) Down the side are expense line items, as in Chart B *(Below)*.

Expenses	Admin.	Fund Raising	Program A	Program B	Program C	Etc.	TOTAL
Salaries							
Benefits							
Prof. Services							
Rent							
Printing							
Travel							
Etc.							
TOTAL							

B. Summary Expense Budget: 19??

- Subtract expenses from income for each column and perform a benefit/cost ratio analysis to allocate surpluses and devise a final fundraising goal (FR Goal) for each column, as in chart C *(Below)*.

Benefit/Cost Ratio Analysis

XYZ Organization *19??*

	Income (b)	Expense (c)	FR Goal (b — c)	(b/c)
Program Name	Benefit	Cost	Net Benefit	Benefit/ Cost

C. Benefit to Cost Ratio Analysis

Note: this list can be as long as needed. "Administration" and "Fundraising" can be treated as "programs" for this analysis and often are found as the last two listings in the "Program" column. After surpluses have been allocated by the board to cover costs of key programs, the "FR Goal" column ["Net Benefit" or (b—c)] must be recalculated to set the final fundraising goal for those service programs still showing deficits.

5. Create the financial resources development plan.

- This involves setting up charts for contributed income targets as illustrated in chart D *(Below)*.

The chart allows you to use your board contacts well and to calendarize due dates so that you do not miss proposal deadlines. The financial resources development plan also includes earned income plans, such as interest income from savings or endowment, sales of promotional items, proceeds of special events, unrelated business income, etc.

Program Name:			Year:	
Amount to be Raised:				
Funder	Amount	Board Contact	Due Date	Proposal Form

D. Potential Funders

6. Design the human resources development plan.

- The previous five steps have generated a need for staff, board, and volunteers.
- Write job descriptions for each area.

7. Submit material related to steps 3 — 6 to board for approval.

8. Decide on organizational changes to accommodate steps 1-7.

- If structural or systemic changes are needed, this is the time to design them. This may involve bylaws, management systems, and policies.
- The decision to publish those changes in the strategic plan is largely a matter of organizational culture.

9. Submit step 8 to the board for approval.

10. Create a communications plan.

- A critically important step, the communications plan sets up the methods your organization will take to transmit messages about its work to a wide variety of target populations in order to facilitate the two key exchanges (1) servuce program use and (2) financial support.
- This plan must include specific responsibilities of board, staff and volunteers and contain deadlines.

11. Write the implementation plan.

- Another critically important step, the implementation plan assigns responsibilities to specific officers and staff to be certain that the entire strategic plan is carried out accurately and on time.

- One key responsibility includes notifying the board chairman if the plan is not proceeding well and calling the strategic planning committee back into session if adjustments are needed.

12. *Set up a continuing market evaluation plan.*

- Strategic planning may be the only function in the charitable management field which justifies going around in circles, i.e., we are back to the beginning. The environmental analysis done by the committee at the beginning of the planning process will be repeated on a smaller, more leisurely scale by the board's marketing committee during the term of the plan.
- It amounts to spot-checking the strategic fit between service programs and constituents' needs during the term of the strategic plan. New information affecting that relationship is captured for use in the new planning cycle, which will commence at the beginning of the last year of the current cycle. *[It takes about a year to do a strategic plan with allowances for proper timing to accomplish work with a minimum of stress.]* Dramatic change in the environment will, of course, trigger re-assembly of the strategic planning committee.

13. ***Submit the remaining sections of the plan to the board for approval.***

14. ***Publish enough copies for the board, staff, advisory committees, potential key funders, and any policy-makers who are important to your group.***

Summary

While the foregoing is not a precise formula for strategic planning, it fairly represents the order in which the steps should be taken to build a pyramid of plans that lead to a solid strategic plan.

There is a corollary to the two basic planning principles mentioned on page 2: *There should be a moratorium on all pre-conceived thoughts about programs and priorities while planning is taking place.*

This may be the most difficult aspect of planning strategically because human nature inspires a desire to hang on to what is pleasing about the past. Justifiable existing programs will be recreated and reconfirmed naturally as a part of the process. Zero-base conceptualization requires an open mind if the planning process is to have credibility with potential users of services and potential funders. TIP: *Be flexible when setting completion dates for your strategic plan. It may be necessary to avoid tying the completion of your plan to a public presentation, such as an annual meeting, national conference, etc. The process requires flexibility to achieve the best results.*

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Creative Fundraising Activities

Introduction

This fact sheet includes a list of fundraising events which have been successfully implemented by other crisis nursery or respite care programs. These events are examples of both short and long-term activities which may be an additional source of income for your local program.

Helpful Hints for Successful Fundraising Events

- ✓ Fundraising events need to coincide with the geographic location in which they occur. Rural areas will not be able to successfully implement large fundraising events because of lack of people and money.
- ✓ Tailor fundraising events to the interests of your community.
- ✓ Be on guard for groups, businesses or organizations that want to do fund raisers for your cause. Make sure you know up front how much staff time they will require and how much money they plan on making. Too many programs have gotten "caught" with intense staff involvement and little money for their efforts.
- ✓ Be selective when choosing individuals to represent or support your cause. Choose individuals who represent a sincere interest and positive publicity.
- ✓ Make sure to limit the number of fundraising events to a *maximum* of three large events per year. The community may become weary of contributing to your cause if the fundraising events become too frequent.
- ✓ Include volunteers who will supplement staff efforts.

"Quarter" Rally

(People Power: 15-20 / Cost: $200 / Planning Time: 2 months)

Ask a local shopping mall to sponsor a "quarter" rally. This event is very popular and can generate lots of money depending on the size of the mall. Double-stick tape is placed around the interior of the mall from one end to the other. Shoppers are asked to lay down a quarter for a certain cause (e.g. respite care services). It helps to have a lot of publicity with this event such as a radio station broadcasting live and special giveaways from the mall. This event will need a lot of coordination and volunteers to "man" different points on the "quarter walk". It is a lot of fun and definitely gets a large percentage of the community involved.

Community Auction

(People Power: 2-6 / Cost: $500 / Planning Time: 2 months)

Sponsor a community auction. Items can be donated by local individuals (e.g. artists), stores, or organizations. Include some expensive items to attract buyers. Collecting the items or services will take the most time. A community auction can be combined with another event such as an annual festival, a dance, or a celebrity golf tournament.

Corporate Request

(People Power: 1-2 / Cost: $50 / Planning Time: 1 month)

Corporations with which you have a good relationship are sources of small amounts of money for emergency purposes. Top level managers often have up to $1000 in discretionary funds which they can release without internal approval.

Mystery Party

(People Power: 12 / Cost: $500 / Planning Time: 6 months)

This scavenger hunt party is a very popular event and a lot of fun for the donors. Parties can be held in private homes or at a public site. Food for the event is donated by local stores and companies. Games can be purchased or donated and participants may pay up to $50.00 per person.

Run, Walk or Bikeathon

(People Power: 6-24 / Cost: $1,000 / Planning Time: 8 months)

This takes quite a bit of time to organize depending on the size of the event (length of the area, number of participants, etc.). Promotion is the biggest cost and an essential component of the event. The better the advertising, the larger the number of participants. Participants pre-register and obtain pledges before the event. Encourage groups or clubs to participate since they would represent a significant number of people. This event will also increase the visibility of your organization throughout the community. Prizes for competitors can be donated (cash or goods) by community organizations who will also enjoy greater visibility by becoming a donor. Remember, this event is weather-dependent.

Pledging

(People Power: 12-24 / Cost: $600 / Planning Time: 6 months)

Individual donations typically compose 80% of support for non-profits in the United. States. An accurate list of potential donors and staff (e.g. volunteers) to solicit donations needs to be created before beginning this event. Pledges can be for one time only or on a time payment plan. Time plans must be billed. This event helps increase community ownership for your program.

Raffle

(People Power: 6-24 / Cost: $300 / Planning Time: 6 months)

Prizes are donated by local business or individuals (e.g. artists). Large ticket items are necessary to attract sufficient support. Selling tickets can be time-consuming. However, donated prizes can be given to ticket sellers for the greatest number of tickets sold. It is important to time this event so that it does not overlap with other community raffle events. Sometimes organizations combine their efforts to support a larger event. Please check raffle laws in your state before beginning to play this event.

Paid Advertisements

(People Power: 1-3 / Cost: $500 / Planning Time: ongoing)

Local businesses can pay to advertise their goods and services in your newsletter or other project publications. Promotion and solicitation is necessary to start this event.

Golf Tournament

(People Power: 24 + / Cost: $6,000 / Planning Time: 12 months)

Celebrity golf tournaments can be very successful especially if you include a dinner and dance as part of the event. It may take more than one tournament before you see substantial profits. Often a golf course gives a cut in fees for purchase of gifts in their pro shop.Celebrities need to be recruited far in advance for the event. Golfers may pay large fees for the privilege of playing with a celebrity. An event of this type needs a strong community base, underwriters, wealthy donors and buyers, and a very professional team of volunteers. This event may also include a raffle or auction.

Fountains

(People Power: 1-6 / Cost: $200 / Planning Time: 2 months)

Check with local malls or restaurants that have wishing well fountains. Most of these places donate the pennies, dimes and nickels to charity. It would be nice to get a local radio station to publicize this event. For one week, ask that all the money be put into designated fountains across the city and go to a specified charity or program. This will give the program "free" publicity with very little staff time required. A city-wide effort of all wishing fountains could generate $4,000 to $8,000 for a one to two week promotion.

Celebrity Waiters

(People Power: 10 / Cost: $500 / Planning Time: 6 months)

Well-known people from the local community can be recruited to be waiters for a dinner event during one evening. Corporate groups are encouraged to attend. Prices at the restaurant are the same as usual. All tips go to your project. Regular wait staff are also asked to donate their tips. Other volunteered amenities include flower sellers, entertainment and photographers.

Wish List

(People Power: 2-3 / Cost: $200 / Planning Time: 2 months)

Publish you own "wish list" for your agency birthday party or some other special event. The wish list can be sent to businesses, past donors, and other community organizations. Items and cash can be donated to the program.

Buses and Supermarkets

(People Power: 2 / Cost: $200 / Planning Time: 4 months)

Ask a local grocery company to print your logo or message on their brown grocery bags for one month. This is not a direct fundraising activity, but it does generate a lot of publicity and some funds. It would be great to coordinate this activity with some other fund raiser from your organization.In addition, have the mayor or county commissioner designate a certain week or month as respite care or crisis nursery "week." You will get a proclamation which brings publicity. During this week, you may also have the Transit company put "free" signs on the back of their buses promoting

respite or crisis nursery care. Most large metropolitan transit authorities will have some type of community service activity. In San Antonio, non-profits may have "free" bus signs for one week per year.

Rock-a-Thons

(People Power: 2 / Cost: $100 / Planning Time: 2 months)

Have local day care centers or some other children's group to raise money through "rock-a-thons" — rocking in rocking chairs. This works very well in small communities and gets "kids helping kids." In one town of 2,000 people, the local day care center raised over $6,000 for the Heart Institute by rocking in rocking chairs in the town square on a Saturday. It is amazing what children can do for other children.

Black Tie Bowling

(People Power: 20-30 / Cost: $5,000 / Planning Time: 9-12 months)

Have a bowling alley sponsor a "black tie" bowling event. This can take on many dimensions and really get the community involved. The bowling alley is closed to the general public for the evening. Each participant dresses in a "black tie" costume from the waist up, and in any style of their choosing from the waist down. Teams are organized. The sponsor can charge $40 per person, which includes two drinks and a buffet meal. Prizes are donated for the best costume, worst bowler, best bowler, etc. You may also have a team competition and get businesses to sponsor certain bowling lanes. Ask media to attend. It is a very festive affair. You can make about $10-15,000 for this event, but it requires a lot of staff and volunteer time.

High School Volunteers

(People Power: 2 / Cost: 0 / Planning Time: 3 months)

In addition to children's groups, invite high school students to become involved in your program. They can hold car washes, bake sales, etc., for you. Get a pizza parlor to donate a number of pizzas and sodas and throw an appreciation party for the teenage volunteers once a year. Begin with one high school. These students can then become volunteers in your many fundraising activities, such as the "Quarter Walk."

Percentage of Business Profits

(People Power: 1 / Cost: $50 / Planning Time: 2 months)

Check with various businesses to see if they will give part of their profits to your program. For example, a local photographer may give her sitting fee of $5.00 to the program around Mother's Day. This event produces small amounts of money, but every little bit helps. These activities require little extra work. Your local high school volunteers can disseminate flyers to advertise the event.

Resources

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